

ASSEMBLY BILL

No. 929

Introduced by Assembly Member Sharon Runner

February 22, 2007

An act to amend Section 51350 of the Health and Safety Code, relating to housing, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 929, as introduced, Sharon Runner. California Housing Finance Agency: bonds.

Existing law sets forth various powers and duties of the California Housing Finance Agency in conjunction with the financing of housing. Existing law authorizes the agency to issue revenue bonds not exceeding a specified amount outstanding at any time, exclusive of indebtedness incurred to refund or renew bonds previously issued by the agency, the proceeds of which are used to finance housing developments and other residential structures.

The bill would make an appropriation by increasing by \$3,850,000,000 the authorization of bonds to be issued by the agency, the proceeds of which under existing law are required to be deposited in the continuously appropriated California Housing Finance Fund.

Vote: majority. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 51350 of the Health and Safety Code is
2 amended to read:

1 51350. (a) The agency may, from time to time, issue its bonds
2 in the principal amount that the agency determines necessary to
3 provide sufficient funds for financing housing developments and
4 other residential structures, the payment of interest on bonds of
5 the agency, the establishment of reserves to secure the bonds, the
6 payment of other expenditures of the agency incident to, and
7 necessary or convenient to, issuance of the bonds, and for the other
8 purposes provided by Sections 51065.5 and 51365.

9 (b) (1) Sale of the bonds of the agency shall be coordinated by
10 the Treasurer. To obtain a date for the sale of bonds, the agency
11 shall inform the Treasurer of the amount of the proposed issue.
12 Upon that notification, the Treasurer shall provide three 10-day
13 periods, within the 90 days next following, when the bonds can
14 be sold. The agency may choose any date during the suggested
15 periods or any other date to which the agency and the Treasurer
16 have mutually agreed. The Treasurer shall sell the bonds on the
17 date chosen according to terms approved by the agency.

18 (2) The agency shall exercise its powers with due regard for the
19 right of the holders of bonds of the agency at any time outstanding,
20 and nothing in, or done pursuant to, this section shall in any way
21 limit, restrict, or alter the obligation or powers of the agency or
22 any member, officer, or representative of the agency or the
23 Treasurer to carry out and perform in every detail each and every
24 covenant, agreement, or contract at any time made or entered into
25 on behalf of the agency with respect to its bonds or its benefits, or
26 the security of the holders of the bonds.

27 (c) Except as provided in subdivisions (d) to (h), inclusive, the
28 aggregate principal amount of bonds that may be outstanding at
29 any time pursuant to this part shall not exceed seven hundred fifty
30 million dollars (\$750,000,000), exclusive of the principal
31 indebtedness of bonds issued to refund or renew previously issued
32 bonds of the agency, to the extent of the outstanding principal
33 indebtedness of the previously issued bonds and any redemption
34 premium thereon and any interest accrued or to accrue to the date
35 of redemption of the bonds, during the period in which both the
36 previously issued bonds and the refunding or renewal bonds are
37 outstanding.

38 (d) Effective January 1, 1980, the aggregate principal amount
39 of bonds that may be outstanding at any time pursuant to this part
40 shall be increased by seven hundred fifty million dollars

1 (\$750,000,000), exclusive of (1) bonds previously authorized
2 pursuant to subdivision (c), and (2) the principal indebtedness of
3 bonds issued to refund or renew bonds of the agency previously
4 issued under the authority of this subdivision, but only to the extent
5 of the outstanding principal indebtedness of the previously issued
6 bonds and any redemption premium thereon and any interest
7 accrued or to accrue to the date of redemption of the bonds, during
8 the period in which both the previously issued bonds and the
9 refunding or renewal bonds are outstanding.

10 (e) Effective January 1, 1983, the aggregate principal amount
11 of bonds that may be outstanding at any time pursuant to this part
12 shall be additionally increased by three hundred fifty million dollars
13 (\$350,000,000) exclusive of (1) bonds previously authorized
14 pursuant to subdivision (c) or (d), and (2) the principal indebtedness
15 of bonds issued to refund or renew bonds of the agency previously
16 issued under the authority of this subdivision, but only to the extent
17 of the outstanding principal indebtedness of the previously issued
18 bonds and any redemption premium thereon and any interest
19 accrued or to accrue to the date of the redemption of the bonds,
20 during the period in which both the previously issued bonds and
21 the refunding or renewal bonds are outstanding.

22 (f) Effective January 1, 1984, the aggregate principal amount
23 of bonds that may be outstanding at any time pursuant to this part
24 shall be additionally increased by five hundred million dollars
25 (\$500,000,000), exclusive of (1) bonds previously authorized
26 pursuant to any of subdivisions (c) to (e), inclusive, and (2) the
27 principal indebtedness of bonds issued to refund or renew bonds
28 of the agency previously issued under the authority of this
29 subdivision, but only to the extent of the outstanding principal
30 indebtedness of the previously issued bonds and any redemption
31 premium thereon and any interest accrued or to accrue to the date
32 of the redemption of the bonds, during the period in which both
33 the previously issued bonds and the refunding or renewal bonds
34 are outstanding.

35 (g) On the effective date of the amendments to this section
36 enacted by the Statutes of 1985, the aggregate principal amount
37 of bonds that may be outstanding at any time pursuant to this part
38 shall be additionally increased by six hundred million dollars
39 (\$600,000,000), exclusive of (1) bonds previously authorized
40 pursuant to any of subdivisions (c) to (f), inclusive, and (2) the

1 principal indebtedness of bonds issued to refund or renew bonds
2 of the agency previously issued under the authority of this
3 subdivision, but only to the extent of the outstanding principal
4 indebtedness of the previously issued bonds and any redemption
5 premium thereon and any interest accrued or to accrue to the date
6 of the redemption of the bonds, during the period in which both
7 the previously issued bonds and the refunding or renewal bonds
8 are outstanding.

9 (h) On the effective date of the amendments to this section
10 enacted by the Statutes of 1985, the aggregate principal amount
11 of bonds that may be outstanding at any time pursuant to this part
12 shall be additionally increased by six hundred million dollars
13 (\$600,000,000), exclusive of (1) bonds previously authorized
14 pursuant to any of subdivisions (c) to (g), inclusive, and (2) the
15 principal indebtedness of bonds issued to refund or renew bonds
16 of the agency previously issued under the authority of this
17 subdivision, but only to the extent of the outstanding principal
18 indebtedness of the previously issued bonds and any redemption
19 premium thereon and any interest accrued or to accrue to the date
20 of the redemption of the bonds, during the period in which both
21 the previously issued bonds and the refunding or renewal bonds
22 are outstanding.

23 (i) Effective September 4, 1990, the aggregate principal amount
24 of bonds that may be outstanding at any one time pursuant to this
25 part shall be additionally increased by nine hundred million dollars
26 (\$900,000,000), exclusive of the following: (1) bonds previously
27 authorized pursuant to any of subdivisions (c) to (h), inclusive,
28 and (2) the principal indebtedness of bonds issued to refund or
29 renew bonds of the agency previously issued under the authority
30 of this subdivision, but only to the extent of the outstanding
31 principal indebtedness of the previously issued bonds and any
32 redemption premium thereon and any interest accrued or to accrue
33 to the date of the redemption of the bonds, during the period in
34 which both the previously issued bonds and the refunding or
35 renewal bonds are outstanding.

36 (j) On the effective date of the amendments to this section which
37 added this subdivision, the aggregate principal amount of bonds
38 that may be outstanding at any one time pursuant to this part shall
39 be additionally increased by nine hundred million dollars
40 (\$900,000,000), exclusive of the following: (1) bonds previously

1 authorized pursuant to any of subdivisions (c) to (i), inclusive, and
2 (2) the principal indebtedness of bonds issued to refund or renew
3 bonds of the agency previously issued under the authority of this
4 subdivision, but only to the extent of the outstanding principal
5 indebtedness of the previously issued bonds and any redemption
6 premium thereon and any interest accrued or to accrue to the date
7 of the redemption of the bonds, during the period in which both
8 the previously issued bonds and the refunding or renewal bonds
9 are outstanding.

10 (k) Effective January 1, 1998, the aggregate principal amount
11 of bonds that may be outstanding at any one time pursuant to this
12 part shall be additionally increased by one billion four hundred
13 million dollars (\$1,400,000,000), exclusive of: (1) bonds previously
14 authorized pursuant to any of subdivisions (c) to (j), inclusive, and
15 (2) the principal indebtedness of bonds issued to refund or renew
16 bonds of the agency previously issued under the authority of this
17 subdivision, but only to the extent of the outstanding principal
18 indebtedness of the previously issued bonds and any redemption
19 premium thereon and any interest accrued or to accrue to the date
20 of the redemption of the bonds, during the period in which both
21 the previously issued bonds and the refunding or renewal bonds
22 are outstanding.

23 (l) Effective January 1, 2000, the aggregate principal amount
24 of bonds that may be outstanding at any one time pursuant to this
25 part shall be additionally increased by two billion two hundred
26 million dollars (\$2,200,000,000), exclusive of: (1) bonds previously
27 authorized pursuant to any of subdivisions (c) to (k), inclusive,
28 and (2) the principal indebtedness of bonds issued to refund or
29 renew bonds of the agency previously issued under the authority
30 of this subdivision, but only to the extent of the outstanding
31 principal indebtedness of the previously issued bonds and any
32 redemption premium thereon and any interest accrued or to accrue
33 to the date of the redemption of the bonds, during the period in
34 which both the previously issued bonds and the refunding or
35 renewal bonds are outstanding.

36 (m) Effective January 1, 2002, the aggregate principal amount
37 of bonds that may be outstanding at any one time pursuant to this
38 part shall be increased by two billion two hundred million dollars
39 (\$2,200,000,000), exclusive of (1) bonds previously authorized
40 pursuant to any of subdivisions (c) to (l), inclusive, and (2) the

1 principal indebtedness of bonds issued to refund or renew bonds
2 of the agency previously issued under the authority of this
3 subdivision, but only to the extent of the outstanding principal
4 indebtedness of the previously issued bonds and any redemption
5 premium thereon and any interest accrued or to accrue to the date
6 of the redemption of the bonds, during the period in which both
7 the previously issued bonds and the refunding or renewal bonds
8 are outstanding.

9 (n) *Effective January 1, 2008, the aggregate principal amount*
10 *of bonds that may be outstanding at any one time pursuant to this*
11 *part shall be increased by three billion eight hundred fifty million*
12 *dollars (\$3,850,000,000), exclusive of (1) bonds previously*
13 *authorized pursuant to any of subdivisions (c) to (m), inclusive,*
14 *and (2) the principal indebtedness of bonds issued to refund or*
15 *renew bonds of the agency previously issued under the authority*
16 *of this subdivision, but only to the extent of the outstanding*
17 *principal indebtedness of the previously issued bonds and any*
18 *redemption premium thereon and any interest accrued or to accrue*
19 *to the date of the redemption of the bonds, during the period in*
20 *which both the previously issued bonds and the refunding or*
21 *renewal bonds are outstanding.*